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2 THE HONORABLE BARBARA J. ROTHSTEIN  
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UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

8 MARTIN LUTHER KING, JR.  
9 COUNTY, et al.,

10 v. Plaintiffs,

11 SCOTT TURNER in his official capacity  
12 as Secretary of the U.S. Department of  
Housing and Urban Development, et al.,

13 Defendants.

14 No. 2:25-cv-00814-BJR

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SECOND SUPPLEMENTAL  
DECLARATION OF SUNAREE  
MARSHALL

I, SUNAREE MARSHALL, declare as follows:

1. I am over the age of eighteen, competent to testify, and make this declaration  
based on my personal knowledge and on my review of relevant business records.

2. On May 15, 2025, I reviewed Defendants' Opposition to Plaintiffs' Motion for a  
Preliminary Injunction (Opposition) and the Declaration of Claudette Fernandez in Support of  
United States' Response in Opposition to Motion for Preliminary Injunction (Fernandez  
Declaration). Dkt ## 55, 56. I disagree with several of the U.S. Department of Housing and  
Urban Development's (HUD) contentions in these documents.

3. As an initial matter, I disagree with HUD that projects can continue to operate  
using funds from the FY 2023 grants as a result of millions of dollars of funding remaining from

1 those grants. See Dkt. #55 at 31; Dkt. #56 at 14–15. CoC awards are made on a project-by-  
2 project basis pursuant to grant agreements which specify performance start and end dates. Grant  
3 recipients can draw down awarded funds from HUD for a particular project for expenses  
4 incurred during the performance period. But funds from the award are not available for costs  
5 incurred after the end of the performance period, even if a balance remains.

6       4. Currently, King County has a balance of funds available from its FY 2023 CoC  
7 awards. Attached hereto as Exhibit A is a true and correct copy of a table which shows the FY  
8 2023 award amount for each of King County’s projects and the FY 2023 balance of funds.<sup>1</sup>  
9 These funds were made available to King County pursuant to 23 different contracts which all  
10 have performance end dates in 2025. Seven of the FY 2023 award contracts already ended prior  
11 to May 1, 2025. While a balance of \$673,000 remains under those seven contracts, King County  
12 cannot draw down those funds for any costs incurred after the performance period ended. Rather,  
13 King County can only claim funds for expenses incurred before the end date.

14       5. King County Department of Community & Human Services (DCHS) is currently  
15 reviewing and processing invoices for the expenses incurred by sub-recipients before the  
16 performance end dates. In reviewing the invoices and discussing anticipated invoices with sub-  
17 recipients, King County has confirmed that King County’s sub-recipients have spent all of the  
18 remaining funds from those seven contracts. Thus, even if King County had requested an  
19 extension for FY 2023 awarded funds, as the Fernandez Declaration contends is an option, *see*  
20 Dkt. #56 ¶ 10, there would have been nothing left of those seven awards from which to draw.

21       6. Further when King County recently requested an amendment within the 90-day

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26       1 The table in the exhibit attached to the Fernandez Declaration provides confusing data. The “Awarded”  
27 column of the table represents the FY 2024 award amounts, while the “Balance” provides the FY 2023  
fund balance.

1 window after the close of an award period, as is consistent with prior practice, the Seattle HUD  
2 field office communicated on May 6, 2025 that they had received recent guidance from HUD  
3 Headquarters that they could not approve the specific request because it came after the grant  
4 term had ended (April 30, 2025). Attached hereto as **Exhibit B** is a true and correct copy of the  
5 email exchange with the Seattle HUD field office, forwarded to me by my colleague. The prior  
6 restriction had been that amendments needed to be completed within 90 days of the end of the  
7 grant term. King County has requested clarification from the HUD field office as to whether any  
8 amendments can be executed after the end of the grant term. With this sudden change in practice,  
9 which was not relayed to King County until after our inquiry, I question HUD's assertion that  
10 extension requests will be granted, even if funds remain.

12       7. For FY 2024, HUD conditionally approved continuation of these seven projects,  
13 among others. These seven programs provide 386 units of permanent supportive housing for  
14 households who were experiencing chronic homelessness at the time they enrolled. Absent the  
15 FY 2024 CoC funding, King County has no funds from HUD to draw down from for the  
16 continuation of these seven projects because all of the FY 2023 funding has been expended. And  
17 King County is not aware of any other funds it could draw from to replace the CoC funds  
18 without negatively impacting other housing and homelessness programs. To my knowledge, CoC  
19 rules do not allow grant recipients to transfer funds between projects. And even if it could  
20 transfer these funds, King County would not have enough funds left over to support the projects  
21 from which the funds were transferred. King County estimates that providers for these seven  
22 projects will have incurred approximately \$708,000 in reliance on the FY 2024 awards by the  
23 end of May. This number will increase significantly as the year progresses and additional  
24 projects come to the end of the FY 2023 award performance period.  
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1       8. Meanwhile, King County is steadily drawing down funds for those FY 2023  
2 contracts with performance period end dates later in 2025. For example, the largest FY 2023  
3 award was for the King County Shelter Plus Care Program—TRA, which provides tenant-based  
4 rental assistance funds. The initial award was in the amount of \$9.9 million dollars. Currently,  
5 there are only about \$2 million remaining. And those remaining funds are only available through  
6 the end of June 2025, necessitating the launch of a renewal contract with HUD for FY 2024 CoC  
7 funds. This program requires the timely payment of rental assistance for units in the private  
8 market using CoC funds on July 1, 2025. Without these payments, hundreds of households will  
9 be at risk of eviction.

10      9. I also disagree with the HUD's statement that Plaintiffs do not face a 45-day  
11 deadline to certify their HUD grant agreements or risk losing funding. Dkt. #55 at 31. As I  
12 explained in my initial declaration, after HUD reviews grant applications, it announces awards  
13 and notifies grant recipients of any conditions on the award. Pursuant to HUD's regulations,  
14 grant recipients must satisfy any such conditions before executing a grant agreement. The  
15 recipient and HUD then execute the agreement no later than 45 days from the date that the  
16 conditions are met.

17      10. Due to the urgent need for the FY 2024 funds, and after this Court entered the  
18 temporary restraining order (TRO), on May 9, 2025, King County signed seven FY 2024 grant  
19 agreements, crossing out the restrained conditions on these funds. King County signed the FY  
20 2024 grant agreements on May 9 not only because it needs to begin to draw down these funds  
21 immediately but because it is unclear to King County if HUD will determine the funds forfeited  
22 unless the grant agreements are executed within 45 days. As of the date of this declaration,  
23 despite the signed agreements, HUD has not granted King County access to draw down these  
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1 funds.

2       11. In sum, King County needs the FY 2024 CoC funds, and it needs them  
3 immediately to continue providing critical services to its vulnerable homeless population.  
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5 I declare under penalty of perjury that the foregoing is true and correct.  
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7 EXECUTED this 16<sup>th</sup> day of May, 2025.  
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9 DocuSigned by:  
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11 2CAD9718C2614E4...  
12 SUNAREE MARSHALL  
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## **CERTIFICATE OF SERVICE**

I hereby certify that on May 16, 2025, I served a true and correct copy of the foregoing document on the following parties by the method(s) indicated below:

<p>Brian C. Kipnis  Annalisa L. Cravens  Sarah L. Bishop  Rebecca S. Cohen  <i>Assistant United States Attorneys</i>  Office of the United States Attorney  700 Stewart Street, Suite 5220  Seattle, WA 98101-1271  brian.kipnis@usdoj.gov  annalisa.cravens@usdoj.gov  sarah.bishop@usdoj.gov  rebecca.cohen@usdoj.gov</p> <p><i>Attorneys for Defendants Scott Turner, U.S.  Dept. of Housing and Urban Development,  Sean Duffy, U.S. Dept. of Transportation,  Matthew Welbes, and the Federal Transit  Administration</i></p>	<input checked="" type="checkbox"/> CM/ECF E-service <input type="checkbox"/> Email <input type="checkbox"/> U.S. Mail <input type="checkbox"/> Certified Mail / Return Receipt Requested <input type="checkbox"/> Hand delivery / Personal service
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I declare under penalty of perjury under the laws of the United States and the State of Washington that the foregoing is true and correct.

DATED this 16<sup>th</sup> day of May, 2025.

*/s/ Gabriela DeGregorio*  
Gabriela DeGregorio  
Litigation Assistant  
Pacifica Law Group LLP

# EXHIBIT A

King County FY 2023 CoC Awards

Applicant name	Project Name	Grant Number	Awarded	Expiration Date	Balance	Balance in LOCCS	Unreimbursed Invoices in hand	Notes on Balance
King, County of	YWCA Supportive Housing	WA0045LOT002316	\$231,080.00	1/31/2025	\$0.00	\$0.00	0	
King, County of	Sandpoint Families Supportive Housing	WA0318LOT002308	\$393,823.00	2/28/2025	\$0.00	\$0.00	0	
King, County of	Ozanam House Consolidated PSH	WA0239LOT002313	\$455,394.00	3/31/2025	\$96,319.94	\$96,319.94		Invoiced through February Invoiced through February; Final invoice to full draw down is under review
King, County of	Nyer Urness	WA0227LOT002310	\$786,249.00	3/31/2025	\$5,873.23	\$67,482.59		
King, County of	Auburn Family PSH	WA0466LOT002304	\$57,540.00	4/30/2025	\$0.00	\$0.00		
King, County of	DESC Clement Place Consolidated	WA0384LOT002305	\$2,400,725.00	4/30/2025	\$313,125.07	\$313,125.07		Invoiced through March
King, County of	Williams Apartments	WA0244LOT002311	\$758,070.00	4/30/2025	\$160,627.14	\$160,627.14		Invoiced through March
King, County of	DESC Bloomside*	WA0482LOT002100	\$237,074.00	5/31/2025	\$43,931.56	\$43,931.56		
King, County of	King County Shelter Plus Care Program - TRA	WA0034LOT002316	\$9,900,955.00	6/30/2025	\$1,282,723.14	\$2,097,515.51		Invoiced through March Invoiced through June for rent and through April for other expenses
King, County of	Cascade Women's Supportive Housing	WA0364LOT002307	\$116,182.00	6/30/2025	\$35,707.58	\$60,979.70		Invoiced through March
King, County of	Family Village Redmond PSH for Families	WA0320LOT002308	\$125,201.00	6/30/2025	\$24,744.76	\$24,744.76		Invoiced through March
King, County of	Valley Cities Landing	WA0001LOT002314	\$253,835.00	6/30/2025	\$37,970.62	\$37,970.62		Invoiced through February \$19,504.22 draw on 5/15, to post on 5/16; Invoiced through April
King, County of	PHG 7th and Cherry	WA0344LOT002307	\$265,297.00	7/31/2025	\$54,517.49	\$74,021.71		
King, County of	Avalon Place	WA0228LOT002313	\$54,361.00	7/31/2025	\$357.56	\$401.31		Invoiced through April
King, County of	King County Consolidated Scattered Sites Supportive Housing	WA0297LOT002309	\$8,778,090.00	7/31/2025	\$2,637,804.80	\$3,153,340.77		Five subrecipient agencies
King, County of	Scattered Site Leasing	WA0053LOT002316	\$937,960.00	8/31/2025	\$343,686.13	\$343,683.13		Invoiced through March
King, County of	King County Shelter Plus Care Program - SRA	WA0033LOT002316	\$1,783,730.00	8/31/2025	\$991,278.71	\$1,065,524.85		
King, County of	DESC Consolidated PSH Portfolio #1	WA0345LOT002306	\$4,589,135.00	9/30/2025	\$2,444,000.86	\$2,444,000.86		Invoiced through March
King, County of	Noel House at Bakhita Gardens	WA0213LOT002313	\$253,047.00	9/30/2025	\$208,460.07	\$208,460.07		Invoiced through February
King, County of	DESC Consolidated PSH Portfolio #2	WA0018LOT002316	\$2,820,379.00	10/31/2025	\$2,100,077.23	\$2,100,077.23		Invoiced through February
King, County of	Thea Bowman Apartments	WA0390LOT002304	\$207,656.00	11/30/2025	\$158,094.85	\$175,428.39		Invoiced through March
King, County of	Ronald Commons	WA0316LOT002308	\$199,143.00	12/31/2025	\$199,142.00	\$199,142.00		
King, County of	Patrick Place	WA0259LOT002311	\$182,238.00	12/31/2025	\$200,755.17	\$200,755.17		
NOTE: This project was missing from HUD's Exhibit A								
\$61,609.36								
		Total Award		Balance	LOCCS Balance			
	Sum for contracts ending on or before 5/1/2025	\$5,082,881.00		\$575,945.38	\$637,554.74			
	Percent of Award			11.33%	12.54%			

<u>King County FY 2024 CoC Awards</u>											
Applicant name	Project Name	Grant Number	Term	Awarded	Start Date has passed		Access in LOCCS	Average Monthly Cost	Anticipated Expenditures through April	Anticipated Expenditures through May	Notes on Balance
					Start Date	Expiration Date					
King, County of	Thea Bowman Apartments	WA0390L0T002405		\$219,316.00	10/1/2025	11/30/2026	No	\$18,276.33			
King, County of	King County Shelter Plus Care Program - TRA	WA0034L0T002417		\$12,690,045.00	7/1/2025	6/30/2026	No	\$1,057,503.75			
King, County of	Scattered Site Leasing	WA0053L0T002417		\$1,020,232.00	9/1/2025	8/31/2026	No	\$85,019.33			
King, County of	Cascade Women's Supportive Housing	WA0364L0T0023408		\$122,821.00	7/1/2025	6/30/2026	No	\$10,235.08			
King, County of	PHG 7th and Cherry Family Village Redmond PSH for Families	WA0344L0T002408		\$280,403.00	8/1/2025	7/31/2026	No	\$23,366.92			
King, County of	Avalon Place	WA0228L0T002414		\$59,125.00	8/1/2025	7/31/2026	No	\$4,927.08			
King, County of	Auburn Family PSH	WA0466L0T002405		\$60,820.00	5/1/2025	4/30/2026	No	\$5,068.33		\$5,068.33	
King, County of	DESC Clement Place Consolidated	WA0384L0T002406		\$2,593,929.00	5/1/2025	4/30/2026	No	\$216,160.75		\$216,160.75	
King, County of	YWCA Supportive Housing	WA0045L0T002417		\$244,268.00	2/1/2025	1/31/2026	No	\$20,355.67	\$61,067.00	\$81,422.67	
King, County of	DESC Consolidated PSH Portfolio #1	WA0345L0T002407		\$4,973,604.00	10/1/2025	9/30/2026	No	\$414,467.00			
King, County of	DESC Bloomsdale*	WA0482L0T002401		\$250,010.00	6/1/2025	5/31/2026	No	\$20,834.17			
King, County of	DESC Consolidated PSH Portfolio #2	WA0018L0T002417		\$3,060,189.00	11/1/2025	10/31/2026	No	\$255,015.75			
King, County of	Valley Cities Landing	WA0001L0T002415		\$276,080.00	7/1/2025	6/30/2026	No	\$23,006.67			
King, County of	Ozanam House Consolidated PSH	WA0239L0T002414		\$531,986.00	4/1/2025	3/31/2026	No	\$44,332.17	\$44,332.17	\$88,664.33	
King, County of	King County Consolidated Scattered Sites Supportive Housing	WA0297L0T002410		\$9,534,461.00	8/1/2025	7/31/2026	No	\$794,538.42			
King, County of	Noel House at Bakhita Gardens	WA0213L0T002414		\$275,223.00	10/1/2025	9/30/2026	No	\$22,935.25			
King, County of	Ronald Commons	WA0316L0T002409		\$214,056.00	1/1/2026	12/31/2026	No	\$17,838.00			
King, County of	Sandpoint Families Supportive Housing	WA0318L0T002409		\$415,907.00	3/1/2025	2/28/2026	No	\$34,658.92	\$69,317.83	\$103,976.75	
King, County of	Nyer Urness	WA0227L0T002411		\$854,070.00	4/1/2025	3/31/2026	No	\$71,172.50	\$71,172.50	\$142,345.00	
King, County of	Patrick Place	WA0259L0T002412		\$219,802.00	1/1/2026	12/31/2026	No	\$18,316.83			
King, County of	Williams Apartments	WA0244L0T002412		\$821,577.00	5/1/2025	4/30/2026	No	\$68,464.75		\$68,464.75	
King, County of	King County Shelter Plus Care Program - SRA										NOTE: This project was consolidated with King County Shelter Plus Care Program - TRA in the FY24 competition with King County Shelter Plus Care Program - TRA named as the surviving award.

# EXHIBIT B

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**From:** Sassorossi, Martha <[msassoro@kingcounty.gov](mailto:msassoro@kingcounty.gov)>  
**Sent:** Friday, May 16, 2025 9:11 AM  
**To:** Marshall, Sunaree  
**Subject:** FW: <External Message> Time Sensitive: Amendment request for WA0384LOT002305 (Hobson and Clement Consolidated)

**Martha Sassorossi (she/her/hers)**  
Manager, Housing & Supportive Services Program  
King County Department of Community & Human Services  
**W:** 206-263-0217



The Homeless Housing Program is now the **Housing & Supportive Services Program** within the Housing & Community Development Division of King County's Department of Community & Human Services. The [Homeless.Housing@KingCounty.gov](mailto:Homeless.Housing@KingCounty.gov) email was retired April 30, 2024. The team's new general inbox is [Housing.Services@KingCounty.gov](mailto:Housing.Services@KingCounty.gov).

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**From:** Ganz, Rachel S <[Rachel.S.Ganz@hud.gov](mailto:Rachel.S.Ganz@hud.gov)>  
**Sent:** Tuesday, May 6, 2025 1:57 PM  
**To:** Sassorossi, Martha <[msassoro@kingcounty.gov](mailto:msassoro@kingcounty.gov)>  
**Cc:** Mejia, Cherry-ann <[cmejia@kingcounty.gov](mailto:cmejia@kingcounty.gov)>  
**Subject:** RE: <External Message> Time Sensitive: Amendment request for WA0384LOT002305 (Hobson and Clement Consolidated)

[EXTERNAL Email Notice! ] External communication is important to us. Be cautious of phishing attempts. Do not click or open suspicious links or attachments.

Hi Martha,

Unfortunately, we received recent guidance from Headquarters that we cannot do a one-time budget shift of more than 10% after the grant term has ended.

We can do an up to 10% shift, therefore, we could move up to \$9,689.89 out of admin into either services and/or operating.

Thank you!

**Rachel Ganz**  
Senior Community Planning and Development Representative  
U.S. Department of Housing and Urban Development  
909 First Avenue, Suite 310  
Seattle, WA 98104  
**206-220-5426**  
[rachel.s.ganz@hud.gov](mailto:rachel.s.ganz@hud.gov)

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**From:** Sassorossi, Martha <[msassoro@kingcounty.gov](mailto:msassoro@kingcounty.gov)>  
**Sent:** Monday, May 5, 2025 2:58 PM  
**To:** Ganz, Rachel S <[Rachel.S.Ganz@hud.gov](mailto:Rachel.S.Ganz@hud.gov)>  
**Cc:** Mejia, Cherry-ann <[cmejia@kingcounty.gov](mailto:cmejia@kingcounty.gov)>

**Subject:** <External Message> Time Sensitive: Amendment request for WA0384LOT002305 (Hobson and Clement Consolidated)

**CAUTION:** This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. If you have concerns about the content of the email, please send it to [phishing@hud.gov](mailto:phishing@hud.gov) or click the Report Phishing Button on the Outlook ribbon or Phishing option within OWA.

Good afternoon Rachel,

King County is requesting a one-time budget shift of more than 10% for award WA0384LOT002305 (Hobson and Clement Place Consolidated), which ended on April 30, 2025.

King County requests a budget shift of \$23,000 from Administration Costs and moving \$10,000 to Operating and \$13,000 to Supportive Services for award WA0384LOT002305 (Hobson and Clement Place Consolidated). Tables for the current and requested budgets are included below. The shift would result in a new Administration budget total of \$73,899, a new Supportive Services budget total of \$484,375 and a new Operating budget total of \$1,842,451.

<b>Current Budget Table</b>	
<b>Total Amount</b>	<b>\$ 2,400,725.00</b>
<b>Supportive Services</b>	\$471,375.00
<b>Operating</b>	\$1,832,451.00
<b>Administration</b>	\$96,899.00

<b>Requested Budget Table</b>	
<b>Total Amount</b>	<b>\$2,400,725.00</b>
<b>Supportive Services</b>	\$484,375.00
<b>Operating</b>	\$1,842,451.00
<b>Administration</b>	\$73,899.00

The request stems from the subrecipient's lower than expected administrative costs.

Please do not hesitate to reach out with any questions.

Thank you,  
Martha

**Martha Sassorossi (she/her/hers)**  
 Manager, Housing & Supportive Services Program  
 King County Department of Community & Human Services  
 W: 206-263-0217



*The Homeless Housing Program is now the **Housing & Supportive Services Program** within the Housing & Community Development Division of King County's Department of Community & Human Services. The [Homeless.Housing@KingCounty.gov](mailto:Homeless.Housing@KingCounty.gov) email was retired April 30, 2024. The team's new general inbox is [Housing.Services@KingCounty.gov](mailto:Housing.Services@KingCounty.gov).*